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4:15 p.m.

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

September 27, 1977

STATE BRIEFINGS ON PANAMA CANAL TREATIES

Wednesday, September 28, 1977

4:15 P.M. (20 minutes)

The State Dining Room

From: Hamilton Jordan *H. J.*

I. PURPOSE

To motivate a grass-roots effort among public opinion leaders to support a treaty ratification.

II. BACKGROUND, PARTICIPANTS & PRESS PLAN

- A. Background: For this fifth briefing for the states, citizens from Colorado, Arizona and Delaware are invited.
- B. Participants: A cross section of citizens, including business, labor, banking, education, political and civic leaders. Senators Goldwater and DeConcini assisted with the Arizona Invitation list; Senators Biden and Roth with the Delaware list; and Senators Hart and Haskell with the Colorado list. Governor Raul Castro of Arizona and former Governor John Love of Colorado will be attending.
- C. Press Plan: No press coverage.

III. TALKING POINTS

The same presentation you have given at the previous briefings will be most appropriate here.

attachments:

agenda  
list of attendees

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AGENDA

WEDNESDAY, SEPTEMBER 28, 1977

2:30 P.M.	Welcome	Doug Bennet Assistant Secretary of State for Congressional Relations.
2:40 P.M.	Explanation of Treaties	Ambassador Sol Linowitz
3:15 P.M.	Break	
3:45 P.M.	National Security View	Graham Claytor Secretary of the Navy  and  General Bernard Rogers Chief of Staff, U.S. Army
4:15 P.M.	Remarks	President Carter

INVITEES FROM ARIZONA

Eliza Carney

Gene Bullock

Alfredo Gutierrez, State Senator (Phoenix)

Don Eklund, President-elect, Arizona Education Association (Phoenix)

James M. Bush, attorney (Phoenix)

Gary Driggs, President, Western Savings and Loan (Scottsdale)

Timothy Barrow, former mayor of Phoenix

Sid Rosen

John P. Byrne, Del Webb Corporation

Darwin Aycock, Secretary-Treasurer, Arizona State AFL-CIO

Jack Sarver, American Savings and Loan

Keith Turley, Arizona Public Service

Alan Rosenberg, Great Western Bank

Robert D. Myers, Arizona Bar Association (Phoenix)

John J. O'Connor III, attorney (Phoenix)

Dr. Don Val Langston, Children's Medical Group (Phoenix)

Edward Carson, President, First National Bank

Lou Grubb, President, Grubb Chevrolet, Inc.

Invitees from Arizona (continued)

F. G. Talley, President, Talley Industries

Harold Lavine, editorial writer, Phoenix Newspapers

Gary Edens, KOY, President, Arizona Broadcasters Association

Governor Raul Castro

INVITEES FROM COLORADO

Ben Stapleton (Denver), attorney

James Phelps, attorney (Pueblo)

Monte Pascoe, former State Chairman (Denver)

Mike Cheroutes, attorney (Denver)

Tom Farley (Pueblo)

Henry Strauss, businessman (Denver)

Al Frank, businessman (Denver)

Mark Hogan, former Lieutenant Governor, businessman

Fred Betz, Sr., farmer and newspaperman (Lamar)

Carlos Lucero (Alamosa)

Ken Montfort, cattle rancher (Greeley)

Governor John Love, former governor (Denver), Ideal Cement

Chris Dobbins, Chairman of the Board, Ideal Basic Industries (Denver)

Sheila Kowal, State Chairman (Littleton)

Norman N. Pledger, President, Colorado AFL-CIO (Denver)

Chat Patterson, real estate (Denver)

Staff:

Rollie Fisher (Senator Hart's office)

Tom Hoge (Senator Hart's office)

John Cevette (Senator Haskell's office)

INVITEES FROM DELAWARE

Vincent Croze, Chairman, Delaware State UAW Council (Stanton)

Rebecca Gates, National Committeewoman for the Democratic National Committee (Dover)

Professor James Soles, Political Science Department of the University of Delaware (Newark)

Lee Cassidy, Chairman of the Public Service Commission (Wilmington)

Hal Hester

George Bundek

Ned Davis

Tom Little

John Campanelli, President, Delaware State AFL-CIO (Wilmington)

Toby Ryan, President, Building and Construction Trade Council

Mr. and Mrs. John Eugene Derrickson

Mr. and Mrs. Joseph Toner

Jack Jacobs

Herb Baylin

Kathelene Neil

Edward Hughes

Dick Weldon

Jim Baxter

Mary Boykin

Lois Parke

Invitees from Delaware (continued)

Al Pagano

Marjorie Jarrell

Fred Van Sant, Director of State Personnel (representing the Governor of  
Delaware)

Staff:

William Wyer

Ted Kaufman (Senator Biden's office)

Peter Hayward

Cornelius B. Tyson

## PARTICIPANTS

The Vice President

Senator Thomas McIntyre (D-N.H.)

Senator Mark Hatfield (R-Ore)

Congressman Frank Horton (R-N.Y.), Chairman of the Commission, ranking minority member of House Government Operations Committee and a helpful ally on the Consumer Agency and our reorganization proposals.

Congressman Tom Steed (D-Okla), Appropriations Committee, Subcommittee Chairman on Treasury and the Executive Office of the President.

Mark D. Littler, Vice Chairman of the Commission. Retired Senior Partner, Arthur Andersen & Company. Elected Vice Chairman by members of the Commission.

Frank Moore

Richard Pettigrew

THE PRESIDENT HAS SEEN.

1:50 PM

THE WHITE HOUSE

WASHINGTON

September 28, 1977

MEETING WITH CONGRESSMAN FRANK HORTON  
Wednesday, September 28, 1975  
1:50 p.m. (5 minutes)  
The Oval Office

From: Richard Pettigrew *Rap*

I. PURPOSE

To receive final report of the Commission on Federal Paperwork from the congressional members of the Commission and its Vice Chairman.

II. BACKGROUND, PARTICIPANTS AND PRESS PLAN

A. Background: The Commission on Federal Paperwork was established in December 1974. It has consisted of two members from the Senate, two members from the House, the Director of OMB, the Secretary of HEW, and eight other members including Esther Peterson. Its charter has been to assure that necessary information is available to the government while unnecessary paperwork is minimized. OMB has the responsibility to review the over 750 recommendations of the Commission and report on them to the President and the Congress over the next two years.

A conference is to follow this brief session at which the Vice President will make some keynote remarks.

B. Participants: See list attached.

C. Press Plan: Press photo opportunity.

Attachment

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9:15 AM

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

September 27, 1977

SIGNING OF THE COLUMBUS DAY PROCLAMATION

Wednesday, September 28, 1977

9:15 a.m. (15 minutes)

The Rose Garden

(State Dining Room in event of rain)

From: Margaret Costanza *mc*

I. PURPOSE

To greet distinguished guests, primarily from the Italian-American community, and to sign the proclamation designating October 10, 1977 as Columbus Day.

II. BACKGROUND, PARTICIPANTS AND PRESS PLAN

A. Background: Columbus Day was officially designated by a joint resolution of Congress on April 30, 1934. The day of observance was changed to the second Monday in October in 1968.

B. Participants: See Tab A

C. Press Plan: White House Press, photo opportunity

III. TALKING POINTS

To be provided by Jim Fallows

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TAB "A"

## PARTICIPANTS

Honorable Margaret Costanza  
Assistant to the President

Members of Congress as follows:

The Honorable Joseph P. Addabbo (D-N.Y.)  
The Honorable Jerome A. Ambro (D-N.Y.)  
The Honorable Frank Annunzio (D-Ill.)  
The Honorable Mario Biaggi (D-N.Y.)  
The Honorable Bruce F. Caputo (R-N.Y.)  
The Honorable Silvio O. Conte (R-Mass.)  
The Honorable Alan Cranston (D-Calif.)  
The Honorable Dennis DeConcini (D-Ariz.)  
The Honorable James O. Eastland (D-Miss.)  
The Honorable John J. LaFalce (D-N.Y.)  
The Honorable Robert L. Leggett (D-Calif.)  
The Honorable Romano L. Mazzoli (D-Ky.)  
The Honorable Joe Moakley (D-Mass.)  
The Honorable John M. Murphy (D-N.Y.)  
The Honorable Leon E. Panetta (D-Calif.)  
The Honorable Matthew J. Rinaldo (R-N.J.)  
The Honorable Peter W. Rodino, Jr. (D-N.J.)  
The Honorable Marty Russo (D-Ill.)  
The Honorable Jim Santini (D-Nev.)  
The Honorable Leo C. Zeferetti (D-N.Y.)

125 Distinguished Italian-Americans, including:

Monsignor Geno Baroni  
Assistant Secretary  
U.S. Department of Housing and Urban Development

Peter Libassi  
General Counsel  
U.S. Department of Health, Education and Welfare

Judge Nicholas S. Nunzio

Judge John J. Sirica

Judge Francis Valle

Members of the White House Staff



THE WHITE HOUSE

WASHINGTON

September 27, 1977

MEMORANDUM TO THE PRESIDENT

FROM: JIM FALLOWS *Jin*

SUBJECT: Columbus Day Proclamation Signing

Griffin Smith has prepared these talking points:

1. Except for Washington's Birthday, Columbus Day is the only federal holiday which honors a specific individual. Cristoforo Colombo holds a very special place in Americans' affections, because his voyages opened up this continent to immigration and European settlement. He is a symbol of discovery (the Nina, the Pinta, and the Santa Maria are the spiritual ancestors of our space missions). He is also a symbol of opportunity -- the search for liberty and a better life that brought millions of immigrants to these shores after him. In 15 years our Nation will celebrate the 500th anniversary of his first voyage. The most fitting honor we could pay him would be the knowledge that all Americans were at last able to participate fully in all aspects of our government and society.
2. For this audience, the most important point to stress is that America is a mosaic, not a melting pot. We are proud of our differences. We tolerate and cherish diversity. Our different kinds of people are cooperating and search for answers to difficult questions in their own way, all contributing the strongest aspects of their heritage to America's common purpose. Our rich ethnic variety in one of America's most precious assets, something that must be preserved and enhanced. This is nowhere more true than with Italian-Americans, who possess an exceptionally distinguished 2,000-year-heritage of art, architecture, politics, literature, radio technology, music, medicine.
3. One important way to help preserve this ethnic heritage is to preserve the neighborhoods that sustain and nourish it. That is why we have established in HUD, for the first time, an office specifically responsible for neighborhood affairs -- under the direction of a very people-oriented Assistant Secretary, Father Geno Baroni. Also, in the very near future you will be announcing the members of the National Commission

on Neighborhoods -- a commission of ordinary citizens which will hold hearings around the country, in neighborhoods, and make recommendations on urban revitalization.

4. A second way to preserve an ethnic heritage is through the continuation of family values. (Our Italian experts suggest that you avoid the words, "The Family.") Family values are the backbone of our nation, and they have persisted with special vitality among Italian-Americans. "The first school," as the saying goes, "is the home." Family values and a sense of neighborhood are more important than ever now, as the world and our lives grow more and more complex.

5. You may wish to make special acknowledgement of Congressman Rodino, who is the informal "Dean" of the 31-member Italian-American Congressional delegation (29 representatives and two Senators). He and Judge John Sirica (also invited) are symbols of courage to America and the world; their work, like the Declaration of Independence and the Bill of Rights and our system of laws, is part of the special strength and meaning of the American system of government.

# # #



THE WHITE HOUSE  
WASHINGTON

September 28, 1977

Bob Linder

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

RE: EXECUTIVE ORDER RE PAY  
ADJUSTMENT

THE WHITE HOUSE  
WASHINGTON

Mr. President:

Eizenstat and Fallows concur  
with Lipshutz.

5 SIGNATURES REQUESTED.

Rick (wds)



EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

GENERAL COUNSEL

SEP 27 1977

MEMORANDUM FOR: BOB LIPSHUTZ

FROM:

BILL NICHOLS *Nichols*

Subject: Pay Adjustment Executive Order

Enclosed is a proposed Executive order entitled "Adjustment of Certain Rates of Pay and Allowances."

This proposed order reflects necessary adjustments required by Section 5305 of Title 5 and Section 1009 of Title 37. The pay adjustments have been made in accordance with the 7.05 percent increase recommended by the President's pay agent.

In accord with the form of the pay adjustment order issued in 1976, the proposed basic order is only two pages. The pay schedules are attached thereto and are made a part of the order.

Schedules 1 through 3 cover the three statutory pay systems, including rates for VA's clinical podiatrists and optometrists (Public Law 94-581) (Section 1). Schedule 4 contains the pay and allowances for the military (Section 2).

The Executive Salary Cost-of-Living Adjustment Act (Public Law 94-82) ordinarily requires that adjustments also be made in certain Executive, Congressional, and Judicial salaries. Notice of those adjustments is not included in this proposed Executive order, because Public Law 95-66 precludes such adjustments this year.

The proposed order has been prepared in this office. The civilian schedules are those set forth in the pay agent's report, and the data in the schedules for the uniform services were submitted by the Department of Defense.

Also enclosed are identical letters notifying the Congress and transmitting, as required by 5 U.S.C. 5305(a)(3),

the reports submitted by the President's pay agent (including the recommendations of the Federal Employees Pay Council) and the Advisory Committee on Federal Pay. These letters, as required by 5 U.S.C. 5304(a)(3), also advise the Congress of the overall percentage of the adjustment in the rates of pay under the General Schedule and under the other statutory pay systems.

In addition, there are identical letters notifying the Congress of the President's decision to exercise his discretionary authority to allocate 12% of the military pay increase to the basic allowance for quarters. The provisions of 37 U.S.C. 1009(c) require this notice to be transmitted to the Congress prior to the effective date of the pay adjustment - October 1, 1977.

Time has not permitted formal submission to the Department of Justice in accordance with the provisions of Executive Order No. 11030, as amended. However, an attorney in that Department, who normally reviews proposed Executive orders and proclamations for form and legality, has reviewed this proposed Executive order and has informally advised that there is no legal objection to its issuance.

Since this proposed order announces the pay adjustments which, according to law, become effective on October 1, 1977, or the first pay period beginning on or after that date, we urge that the proposed order and the letters to the Congress be immediately presented for the President's consideration.

This proposed Executive order has the approval of the Director of the Office of Management and Budget.

#### Enclosures

Proposed Executive order  
Letter to the Congress  
Letter to the Congress  
Pay Agent Report  
Advisory Committee Report

THE WHITE HOUSE

WASHINGTON

September 27, 1977

MEMORANDUM FOR THE PRESIDENT

FROM:

ROBERT LIPSHUTZ *RL*

RE:

Executive Order Re Pay Adjustment

The attached Executive Order and related materials are required in order to implement the 7.05 percent increase in Federal pay.

The basic Executive Order is two pages long with pay schedules attached to it. There are also two different letters to Congress which must be signed. The first letter, which must be forwarded to Congress prior to October 1, notifies the Congress of your decision to allocate 12 percent of the military pay increase to the basic allowance for quarters.

The second letter transmits to Congress, as is required by law, the reports of the President's pay agent and the Advisory Committee on Federal Pay. The second letter also advises Congress of the precise nature of the pay adjustment, i.e., 7.05 percent.

We recommend that you sign the attached Executive Order and both of the attached letters to Congress.

Approve

Disapprove

*J*

EXECUTIVE ORDER  
-----

ADJUSTMENTS OF CERTAIN RATES OF PAY AND ALLOWANCES

By virtue of the authority vested in me by the Constitution and the laws of the United States of America, and as President of the United States of America, it is hereby ordered as follows:

Section 1. Statutory Pay Systems. Pursuant to the provisions of subchapter I of Chapter 53 of Title 5 of the United States Code, the rates of basic pay and salaries are adjusted, as set forth at the schedules attached hereto and made a part hereof, for the following statutory pay systems:

(a) The General Schedule (5 U.S.C. 5332(a)) at Schedule 1;

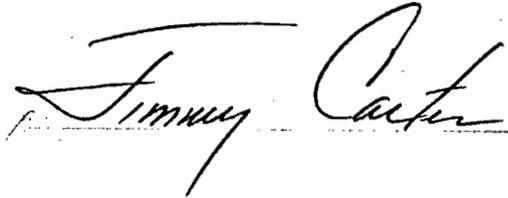
(b) the schedules for the Foreign Service (22 U.S.C. 867 and 870(a)) at Schedule 2; and

(c) the schedules for the Department of Medicine and Surgery, Veterans Administration (38 U.S.C. 4107) at Schedule 3.

Sec. 2. Pay and Allowances for Members of the Uniformed Services. Pursuant to the provisions of Section 1009 of Title 37 of the United States Code, the rates of monthly basic pay (37 U.S.C. 203(a) and (c)), the rates of basic allowances for subsistence (37 U.S.C. 402), and the rates of basic allowances for quarters (37 U.S.C. 403(a)) are adjusted, as set forth at Schedule 4 attached hereto and made a part hereof, for members of the uniformed services.

Sec. 3. Effective Date. The adjustments in rates of monthly basic pay and basic allowances for subsistence and quarters for members of the uniformed services shall be effective on October 1, 1977. All other adjustments of salary or pay shall be effective on the first day of the first applicable pay period beginning on or after October 1, 1977.

Sec. 4. Superseded Orders. Executive Order No. 11941 of October 1, 1976, is superseded.

A handwritten signature in cursive script, reading "Jimmy Carter", is written over a horizontal line. The signature is fluid and stylized, with a prominent initial "J" and a long, sweeping "C".

THE WHITE HOUSE

, 1977

TO THE CONGRESS OF THE UNITED STATES:

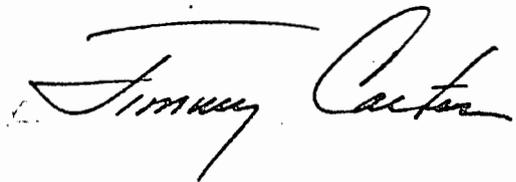
In accord with 37 U.S.C. 1009(c), I am hereby advising the Congress that I plan to exercise the discretionary authority provided by 37 U.S.C. 1009(c), as added by section 303 of the Department of Defense Appropriation Authorization Act, 1977 (Public Law 94-361), with respect to adjustments in the levels of compensation for the members of the uniformed services.

The amendments to 37 U.S.C. 1009 made by that act provide discretionary authority to apply the adjustments (based on the overall average percentage increase in General Schedule rates of basic pay, in accord with 37 U.S.C. 1009(a)) to the basic pay, quarters allowances and subsistence allowances of the uniformed services on a percentage basis other than an equal percentage basis. Those amendments also provide discretionary authority to pay a partial quarters allowance to bachelors in government quarters, on field duty and on sea duty.

The current levels of the military allowances for quarters and for subsistence are less than the costs of the services they are intended to procure. Because of this deficiency in the current level of these allowances, it is my considered judgment that a reallocation of the October 1, 1977 military basic pay increase is appropriate. However, in consideration of the negative impact of reallocation on some military members, I am not going to reallocate the full 25 percent which I am authorized by law to do. I plan to reallocate 12 percent of the basic pay increase, by grade, all to the basic allowance for quarters, and to increase the partial quarters allowance to bachelors in government quarters, and to those on sea duty or on field duty, by an amount equal to that reallocated from the basic pay increase. This action takes a positive step toward improving the current relationship

of the quarters allowance to the costs of off-post housing and, at the same time, recognizes the adverse impact of re-allocation on some military members by limiting it to a moderate amount.

Specifically, the amount allocated to the element of monthly basic pay for each grade shall be 88 percent of the amount that would have been allocated to that element under 37 U.S.C. 1009(b)(3); the elements of monthly basic allowance for subsistence and monthly basic allowance for quarters for each grade shall be increased by an amount which is of the same percentage as the overall average percentage increase in the General Schedule rates, except that the element of monthly basic allowance for quarters shall be increased by an additional amount by grade equal to 12 percent of the amount that would have been allocated to the element of monthly basic pay under 37 U.S.C. 1009(b)(3). Members without dependents, who, under 37 U.S.C. 403(b) or (c), are not entitled to receive a basic allowance for quarters, shall be paid an increase in the monthly partial basic allowance for quarters in an amount equal to the additional amount allocated by grade to the element of monthly basic allowance for quarters under 37 U.S.C. 1009(c).



THE WHITE HOUSE,

REPORT ON THE FISCAL 1978 PAY INCREASE UNDER  
THE FEDERAL STATUTORY PAY SYSTEMS

Annual Report of the  
Advisory Committee on Federal Pay  
September 6, 1977

ADVISORY COMMITTEE ON FEDERAL PAY  
1730 K STREET, N.W.  
WASHINGTON, D.C. 20006

September 6, 1977

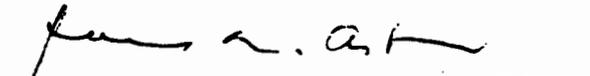
The President  
The White House  
Washington, D.C. 20500

Dear Mr. President:

The Advisory Committee on Federal Pay has the honor of submitting to you its sixth annual report. The report incorporates our findings and recommendations with respect to the Fiscal 1978 pay adjustment for approximately 1.4 million Federal civilian employees.

The Committee hopes that our recommendations will prove useful to you in arriving at your decision.

Respectfully submitted,



Roy L. Ash  
Member



Frederick R. Livingston  
Member



Jerome M. Rosow  
Chairman

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## I. INTRODUCTION

Recommendations of the Advisory Committee on Federal Pay regarding the Fiscal 1978 salary adjustment for approximately 1.4 million civilian white-collar government employees covered by the Federal Pay Comparability Act of 1970 are contained in this, the sixth annual report of the Committee. About 2 million members of the Armed Forces receive the same percentage increase in pay as the General Schedule, Bureau of Medicine and Surgery of the Veterans' Administration, and Foreign Service employees covered by the comparability legislation.

## II. RELATIONS BETWEEN THE PARTIES

During much of the past year there were no AFL-CIO members on the Federal Employees Pay Council and there were no meetings between the Pay Council and the President's Agent. With the return of the AFL-CIO to the Council, meetings resumed on June 15, with several changes in membership. The Pay Agent principals were all new because of the change in Administration. With election of new officials by the American Federation of Government Employees and the National Federation of Federal Employees, three of the five members of the Pay Council served for the first time.

Our Committee has been heartened by the improvement in relations. The improvement appears to result from several developments: (1) A pledge in the Pay Agent's letter of May 24 that alternative plans would be adopted "only because of national emergency or economic conditions affecting the general welfare, requiring Presidential initiatives affecting the general economy." (2) Agreement to add the Secretary of Labor as a third member of the Pay Agent. (3) Greatly increased attendance and participation in meetings by principals from both sides. This signifies the importance that each side attaches to the process and facilitates decision making. The principal initiative to improve the climate of labor-management relations came from the Pay Agent, with the new Director of the Office of Management and Budget, the new Chairman of the Civil Service Commission, and the new Secretary of Labor taking major steps to bring a new spirit and light and air into the discussions.

The new relationship must be carefully nurtured. The Committee was disappointed by the fact that the Federal Employees Pay Council still expresses substantial distrust of the Agent, especially at the staff level.

We concur with the President's judgment not to invoke an alternative plan; in our view, the factors that would justify such a plan are not present this year.

### Role of Non-FEPC Organizations

The problem of informing representatives of employee organizations that are not members of the Federal Employees Pay Council was reduced somewhat this year by the fact that meetings between the Pay Agent and the Pay Council were open to the public. In addition, there was a briefing of these organizations regarding this year's pay proposals. Nevertheless, the organizations not represented on the Pay Council continue to press for a greater voice before pay decisions are made, and it is the Committee's view that these organizations should be heard prior to formulation of final positions.

### III. CHANGE IN COMMITTEE RESPONSIBILITIES

The Executive Order that added the Secretary of Labor to the President's Agent also expanded the role of the Advisory Committee. The Order (12004), signed by the President on July 20, 1977, states:

"Sec. 204.(a) The Advisory Committee on Federal Pay shall advise the President of its own opinion on any unresolved issues referred to it by the President's Pay Agent or the Federal Employees Pay Council. The Advisory Committee shall inform the President's Pay Agent and the Federal Employees Pay Council of its opinion on such issues as soon as practicable. To facilitate the exercise of this authority and the early resolution of such issues, the Advisory Committee shall attend, or be represented at, meetings between the President's Pay Agent and the Federal Employees Pay Council, and moderate and direct the discussion."

Because of the recency of this Order, the Committee could not commence its expanded role with respect to this year's discussions of the proposed pay adjustment. Requests to give opinions on two issues--scope and time lag--came only at the end of discussions regarding this year's pay change. Even an immediate statement of Committee views would have come too late for "early resolution of such issues." We, therefore, notified the Agent and the Council that we would include our recommendations with respect to these two issues in this report to the President.

The Committee has retained an experienced mediator, Mr. John N. Gentry, to represent it in moderating and directing discussions between the President's Agent and the Pay Council regarding next year's pay adjustment.

### IV. THE ISSUES

The Pay Agent and the Federal Employees Pay Council disagree over two issues--scope of the survey of private sector pay to be used in measuring comparability, and compensating for the time lag between this survey and the effective date of the Federal pay increase. They agreed on a uniform percentage increase in all white-collar pay grades, but this distribution of the increase is disputed by employee organizations not represented on the Pay Council.

### Scope of Comparisons

The parties are in dispute as to the propriety of enlarging the scope of this year's survey of private sector pay. Continuation of the salary survey scope utilized in the past would have resulted in a 7.46 percent increase--four-tenths of a percentage point, or \$200 million, more than the 7.05 percent increase called for by the expanded survey scope recommended by the Pay Agent.

The Federal Pay Comparability Act of 1970 requires that "Federal pay rates be comparable with private enterprise pay rates for the same levels of work" (Section 5301(a)(3)). This implies that the survey of private sector pay should be as broad as practicable, and there have been efforts for several years to broaden scope, as recognition grew that to continue scope limitations was probably a false economy. The Comptroller General, in a report to the Congress issued in May 1973, recommended "That the Director, OMB, and the Chairman, CSC, (1) redesign the survey universe to cover the broadest feasible representation of the non-Federal sector and (2) after testing and evaluation of the new design, implement the design changes which can be made administratively and propose to the Congress legislation to broaden the comparability principle . . . to enable inclusion of State and local governments."

The Federal Employees Pay Council opposes basing this year's pay increase on the expanded scope but states that it is "not opposed to scope expansion per se." It says, "We have constantly recommended that the scope of the survey be sufficiently broad to assure collection of data from the private sector that matches job levels of the Federal Government." Its opposition to use of the expanded scope in this year's pay determination is based on "continued piecemeal application of arbitrary negative changes in an ever-changing search for comparability," and the Council's lack of opportunity to test the effect of "various segments of the expanded scope." The Council, as well as the Association of Government Accountants, criticizes particularly the failure to make one scope change--namely, addition of public accounting firms to the survey.

The Advisory Committee recognizes that the time available this year for discussion of the scope expansion was limited since the Pay Council was not reconstituted until June. Nevertheless, in view of the implied reference in the law to broad coverage and the fact that 1976 data based on the expanded scope were published by the Bureau of Labor Statistics in November 1976, the Committee does not feel that a delay in adopting the expanded scope is justified. The expanded scope has been tested, and the BLS selected and collected data from the establishments to be included in the expanded scope in a manner that was consistent with methods used in the narrower survey.

Accordingly, we endorse use of the broadened scope in determining this year's pay increase. At the same time, we recommend that the following steps affecting the industrial and occupational scope of the survey should be embarked on immediately:

- (1) A statement of the ultimately desirable scope of the survey of pay in the private sector in terms of both industry and size of establishment should be developed within the next few months--hopefully by the end of this calendar year. If possible, this statement should include a tentative timetable for any further expansion, so as to avoid making changes on a piece-meal basis.
- (2) Steps should be concluded as rapidly as possible to add accounting firms to the survey. The job descriptions should be tested in 1978 and public accounting firms added to the 1979 survey.
- (3) Of utmost importance is rapid expansion of the key job sample. The Civil Service Commission has revealed a plan to increase the jobs studied in the private sector by about 50 over a period of about 5 years. This is too slow, considering the costs and equities involved. This expansion should be essentially completed within 2 years at the most, with highest priority given to jobs in the broad occupational (PATCO) categories and grades in which coverage is now weakest and employment is substantial.
- (4) The general plan to govern the addition or revision of job definitions, requested by the Pay Council, should be developed, if possible by November 15, so that steps (2) and (3) can proceed expeditiously.

#### Time Lag

The Advisory Committee continues to believe that the present arrangement whereby Federal pay is raised in October to levels prevailing in the private sector in the preceding March falls short of comparability, especially in periods of rapid increase in private sector pay. Both the Committee and the Comptroller General have criticized this 6-month time lag in the past. The Agent has committed itself to study and resolve the issue during the coming year.

Despite our belief the lag is too great, the Committee is not prepared at this time to support the two-pronged proposal of the Federal Employees Pay Council for an immediate adjustment for 3 months of the

time lag, with a task force to consider ways of compensating for the remaining 3 months of the lag. There are insufficient data to support the Pay Council's proposals in toto. However, we do endorse the idea of a joint task force to deal with the entire issue of time lag, with a report to be completed by November 15. If agreement is not reached by the principals, the issue can, of course, be referred to the Advisory Committee. Among the topics that the task should look into are (a) legislative history, (b) various ways of estimating a time lag correction with a reasonable degree of accuracy, and (c) timing and methods for most equitably achieving the desired result.

The November 15 deadline is proposed for two reasons: (1) A later decision cannot be taken into account in plans for next year's budget. (2) The new Executive Order is designed to lead to expeditious resolution of issues so as to avoid delaying all decisions until time has run out.

#### The Uniform Pay Adjustment

At the urging of the Pay Council, the Agent agreed that this year each grade should receive the same percentage increase. Based on the expanded survey scope, this would be 7.05 percent. This is the average derived from payline computational procedures adopted in 1976; strict adherence to those procedures would result in increases varying from 6.26 percent in Grade GS-7 to about 9.8 percent in Grade GS-15.

The Agent states that its agreement to a uniform percentage increase is "on a one-time basis, pending a review of aspects of the comparability methodology during the coming year." It further states that it has "some question concerning the equity of the distributional pattern produced by strict application of the established methodology. . . . while we accept the validity of the methodology developed for the 1976 adjustment, we believe it appropriate to reexamine some aspects of it in the coming year."

Even though the Agent and the Pay Council are agreed on this issue, representatives of Federal professional organizations have been unanimous in their criticism of the uniform percentage increase. They charge that is not in accord with legislative intent and contend that the uniform percentage increase takes \$80 million away from workers in the upper GS grades and redistributes it to workers in Grades 2 to 11.

The Committee reluctantly endorses the agreement between the Pay Agent and the Pay Council for the following reasons:

- (1) The relationships between the Agent and the Pay Council have improved, and agreement on this uniform percentage increase is a major concession that the Pay Council has been able to win from the Agent.

- (2) In the absence of overwhelming reasons, the Committee believes that it should not recommend reversal or modification of an agreement.
- (3) A uniform percentage increase does not result in as great a compression as a uniform across-the-board dollar increase.
- (4) The Agent has stated that it is agreeing to a uniform percentage increase "on a one-time basis."
- (5) The Pay Council accepts the principle that in the future there will be differential increases between grades and levels of work based on comparability.

Since both parties agree that there should be appropriate differences between grades, we are confident that the uniform percentage increase is indeed "on a one-time basis." We would look askance at any suggestion that it be a "two-time thing." Uniform percentage increases represent a departure from true comparability envisaged by the statute. They are inequitable to workers in some grades and impair the government's ability to attract and retain the most competent employees in critical positions.

#### Linkage With Foreign Service Pay Scales

A representative of the American Foreign Service Association requested the assistance of the Advisory Committee in solving what the Association feels is a "growing problem of pay comparability" between certain Foreign Service grades and Civil Service and military pay. The Association representative proposes a change in the point at which General Schedule and Foreign Service pay is linked. It also has urged adding to the BLS PATC survey, jobs that are comparable with the Foreign Service.

The Advisory Committee does not have sufficient information to make recommendations regarding this issue. It was first presented to the Committee in 1972; at that time, we urged discussion and review by the Assistant Secretary of State for Administration. We repeat this recommendation and urge the Pay Agent to initiate such discussion in the hope that action can be taken during the coming fiscal year.

#### V. THE CONTINUING PROBLEM OF EXECUTIVE, LEGISLATIVE, AND JUDICIAL PAY

The Advisory Committee regrets this year's suspension of the tie established by the Executive Salary Cost-of-Living Adjustment Act of 1975 (P.L. 94-82) whereby Executive Schedule salaries, as well as

salaries of members of Congress and Federal judges, would be increased by the same percentage as the General Schedule. It hopes that this tie will not be further weakened in coming years.

As we have frequently pointed out, failure to adjust upper level salaries is inequitable to occupants of these positions. More important, while top Federal pay can never be expected to equal that in the private sector, there are limits to the size of the gap that can be sustained without seriously undermining the ability of the Federal Government to attract and retain top level judicial, legislative, managerial, scientific, and other professional talent. Moreover, if top pay remains unchanged for several years, as during the early 1970's, history will repeat itself. We will have learned nothing from recent experience. The inevitable outcome will be severe pay compression, accelerated early retirement of top executives, and other serious pay inequities. Finally, it will once again require a substantial catch-up increase at the time of the next Quadrennial Commission in 1980. Such an increase would be so large as to be politically difficult, if not unacceptable. This, of course, has been a serious political problem for the Congress during 1977. However, the Advisory Committee urges the President to encourage the Congress to permit the 1975 Executive Salary Adjustment Act to remain operational next year and in successive years. Thus, pay for executive, legislative, and judicial personnel in these categories will keep pace with the average change in salaries for the General Schedule.

## VI. RECOMMENDATIONS

In summary, the Advisory Committee makes the following recommendations:

- (1) This year's pay increase should be 7.05 percent, the amount determined on the basis of the expanded scope of the Bureau of Labor Statistics survey of pay in the private sector.
- (2) Steps should be taken as soon as possible to state the maximum scope of the private sector pay survey, to add accounting firms to the survey, and, within 2 years, to buttress the survey by the addition of about 50 jobs to the key job sample.
- (3) No adjustment should be made in this year's pay increase to compensate for the time lag between the survey of private sector salary scales and the Federal pay increase. However, a joint task force should be established to review the entire issue of time lag, with a report and recommendations to be completed by November 15.

- (4) In view of the agreement between the President's Agent and the Federal Employees Pay Council on this issue, this year's pay increase should consist of a uniform percentage increase for all pay grades.
- (5) The question of the Foreign Service pay system linkage with the General Schedule should be reviewed by the Pay Agent with the Assistant Secretary of State for Administration.
- (6) Further efforts should be made to increase meaningful consultation with the Federal employee organizations that are not members of the Federal Employees Pay Council.
- (7) Next year and in successive years, the link between General Schedule pay increases and executive, legislative, and judicial pay should be resumed.

Respectfully submitted,



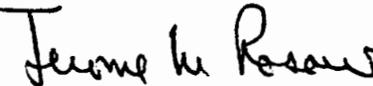
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Roy L. Ash  
Member



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Frederick R. Livingston  
Member



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Jerome M. Rosow  
Chairman

APPENDIX

Memorandum of August 18, 1977, to the Pay Agent and the Federal Employees Pay Council.

Organizations Discussing the President's Agent's Report with the Advisory Committee on Federal Pay

ADVISORY COMMITTEE ON FEDERAL PAY  
1730 K STREET, N.W.  
WASHINGTON, D.C. 20006

August 18, 1977

MEMORANDUM FOR

The President's Pay Agent

The Federal Employees Pay Council

Two issues were submitted to the Advisory Committee for an advisory opinion. Under the President's Executive Order 12004, the Advisory Committee is to state its opinion on unresolved issues submitted to it when such opinions would "facilitate . . . the early resolution of such issues." These issues were submitted to the Advisory Committee after the conclusion of formal discussions between the Pay Agent and the Federal Employees Pay Council. Accordingly, the Advisory Committee will include its recommendations on each of these two issues in its report to the President.

This action does not imply that the Advisory Committee will necessarily follow the same procedure in the future. When unresolved issues are submitted to the Committee, in timely fashion, that will facilitate the "early resolution" of such issues between the parties, the Advisory Committee will render its opinion on such issues as soon as practicable.

Jerome M. Rosow  
Chairman

ORGANIZATIONS DISCUSSING THE PRESIDENT'S AGENT'S REPORT  
WITH THE ADVISORY COMMITTEE ON FEDERAL PAY

---

President's Pay Agent

Office of Management and Budget

Edward F. Preston  
Jerry Julius

Civil Service Commission

Frederick A. Kistler  
Richard Hall

Department of Labor

Eckehard Muessig

Federal Employees Pay Council

AFGE--Kenneth T. Blaylock  
Joseph D. Gleason  
George Hobt  
Stephen Koczak

PED, AFL-CIO--Richard Galleher

NFFE--James M. Peirce

NTEU--C. James Spellane

Other Employee Organizations

American Foreign Service  
Association, Bill Veale

National Association of  
Government Employees,  
Stanley Lyman and  
Alan Whitney

Association of Government  
Accountants, Al Reynolds,  
Robert Oakley, and  
Leslie Thorn

National Federation of  
Professional Organizations,  
James D. Hill

Federal Professional  
Association, E. M. MacCutcheon,  
Ewan Clague, and Lionel Murphy

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COMPARABILITY OF THE FEDERAL STATUTORY PAY SYSTEMS

WITH PRIVATE ENTERPRISE PAY RATES

ANNUAL REPORT

OF

THE PRESIDENT'S PAY AGENT

1977

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THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

C

September 28, 1977

MEMORANDUM FOR: THE PRESIDENT  
FROM: BILL CABLE *Bill*  
THROUGH: FRANK MOORE  
SUBJECT: House Action Tuesday/Wednesday

On Tuesday, the House adopted the majority of the program of suspension items listed on the schedule with these exceptions:

--Failed to adopt the increased staff authorization for former Presidents during the first 30 months after they leave office (this applies only to Ford).

--Failed to adopt instructions to the House Labor/HEW conferees urging them to accept the Senate abortion language.

The program for the House on Wednesday is as follows:

--HUD independent agencies conference report.

--Temporary increase in the Debt Limit.

--Nuclear non-proliferation bill.

--ERDA-Military authorization bill: includes the neutron bomb.

The Vice-President, Hugh Carter and I met with Mo Udall yesterday and reached a general agreement on how to proceed with the White House staff authorization.

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THE PRESIDENT HAS SEEN.

THE CHAIRMAN OF THE  
COUNCIL OF ECONOMIC ADVISERS  
WASHINGTON

①  
/

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September 28, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: Charlie Schultze *CLS*

I thought I could brighten your day (or evening) with the following excerpts from a letter I recently received.

"Dear Dr. Schultze,

"I am enclosing my outline paper, 'Some Interdependent Enterprises Essential for Achieving and Maintaining an Optimally Knowledgeably Functioning Economic Institution (Economic System) (In the Context of Achieving and Maintaining an Optimally Knowledgeably Functioning Society-Culture)', which may be of interest for you. ...In our Nation, also, our Economic Institution while reciprocally interdependent with all our other major (the nucleated) institutions, continues to be the dominant institution, by far, and malfunctioning of it significantly negatively influences and deleteriously affects all our institutions including, of course, our Political-Governmental Institution(s) and, of course, also, all sociocultural phenomena."

"...Especially, when this is evaluated in the context and perspective of the current and concurrently existing available knowledge resources (which it should most comprehensively validly be) which could, if these had concurrently been used efficaciously, have prevented it almost entirely, and if utilized with optimum social-efficiency now, could remedy it in a relatively short period of clock time. (By social-efficiency is meant the ratio of achieved quality of the structure of experiences to the contemporaneously achievable quality of the structure of experiences. When this ratio is one optimum social-efficiency is experienced. ..."

We are thinking of hiring this gentleman to edit our memos to you. (Or did you think we already had?)

THE WHITE HOUSE  
WASHINGTON

September 28, 1977

Jack Watson  
Jim McIntyre

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

cc: The Vice President  
Stu Eizenstat  
Zbig Brzezinski

RE: DOD BASE REALIGNMENTS

ADMINISTRATIVELY CONFIDENTIAL

A copy has been forwarded to Sec.  
Brown

THE WHITE HOUSE  
WASHINGTON

September 28, 1977

Secretary Brown

The attached was returned in the President's outbox today and is forwarded to you for your information and appropriate handling.

Rich Hutcheson

RE: DOD BASE REALIGNMENTS

ADMINISTRATIVELY CONFIDENTIAL

THE WHITE HOUSE  
WASHINGTON

9/27/77

Mr. President:

Frank Moore concurs with  
Watson/Lance.

NSC concurs with DOD.

Eizenstat's comments are  
attached, and Jordan concurs  
with Eizenstat.

Rick

*Admin copy*

*cc Secretary  
Brown*

THE WHITE HOUSE  
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
X	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION		
FYI		
	/	MONDALE
		COSTANZA
	/	EIZENSTAT
		JORDAN
		LIPSHUTZ
		MOORE
		POWELL
	/	WATSON
	/	<del>LANCE</del> Jm
		SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

		ARAGON
		BOURNE
	/	BRZEZINSKI
		BUTLER
		CARP
		H. CARTER
		CLOUGH
		FALLOWS
		FIRST LADY
		HARDEN
		HUTCHESON
		JAGODA
		KING

		KRAFT
		LINDER
		MITCHELL
		MOE
		PETERSON
		PETTIGREW
		POSTON
		PRESS
		SCHLESINGER
		SCHNEIDERS
		STRAUSS
		VOORDE
		WARREN

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE  
WASHINGTON

cc: Harold's  
cc: Jack  
JR

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM TO: THE PRESIDENT  
FROM: Jack Watson *Jack* September 22, 1977  
RE: DoD Base Realignments

I understand that Senator Muskie plans to introduce legislation next week calling for an automatic redistribution of "defense realignment savings" to domestic agencies for use as economic adjustment funds. Such legislation would, of course, greatly restrict our flexibility in either saving money or reallocating funds in accordance with actual need.

This is not the only bill of this kind being proposed in Congress and, unless we do something significant to change our procedures and approach to base closings, Senator Muskie's bill has a good chance of passage. Muskie will ensure referral of his bill to his Committee and will have no problem getting broad-based co-sponsors.

I call this development to your attention because of its direct relevance to the attached proposal Bert and I are making to you.

Attachment

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THE WHITE HOUSE  
WASHINGTON

MEMORANDUM FOR THE PRESIDENT

FROM: Bert Lance  
Jack Watson

SUBJECT: Improving Community Economic Recovery Assistance  
Required for DOD Base Realignments

*The last thing I want is to inject me &/or the Congress further into the base closing procedure. Better planning & coordination to minimize community impact is needed.  
J.C.*

As you know, we have been working for some months on a plan to improve the military base realignment process. This memorandum reviews the realignment decisionmaking process; problems with the current process for alleviating the local economic impact of those realignments (including base closures); and recommends some improvements for your consideration. We are in basic agreement with DOD on all but one major question (the decisionmaking process) which is presented here for your decision.

Background.

For several years DOD has sought to realign domestic defense installations in order to streamline the support structure and to reduce costs. Many more DOD base realignments can be made to achieve a more efficient utilization of defense resources without degrading military capabilities. These realignments could eventually produce annual savings of \$2 billion or more.

Six major realignments have been announced as final since you took office: Kincheloe AFB, Michigan; Craig AFB, Selma, Alabama; Webb AFB, Big Spring, Texas; Frankford Arsenal, Philadelphia, Pennsylvania; Richards-Gebaur AFB, Kansas City, Missouri; and Fort Monmouth, New Jersey. The first four are closures, and the other two are major realignments. As you know, the opposition to these realignments has been very strong.

*Would be a much smaller list with WH/Congress more involved*

In order to deal more effectively with Congressional and local opposition, and to make the decision process more rational, we think that improvements need to be made.

Federal Economic Assistance.

General.

Contrary to popular belief, most communities impacted by defense base realignments have eventually made satisfactory economic recoveries. Over the long term, these communities have benefited from the development of

a broader economic base. Nevertheless, short-term Federal adjustment programs are needed to provide the initial transition to a civilian economy.

There is growing sentiment on the Hill, which we agree with, that not enough Federal economic adjustment assistance is being furnished to impacted communities in a timely manner. Because of this sentiment, legislation has been introduced to guarantee to each such community a percentage of the DOD savings over a ten-year period. DOD and we strongly oppose this legislation because it would generate amounts of spending which have no relationship to the actual economic needs of the communities.

Property Disposal.

A vital step in the economic adjustment process is the prompt transfer of the excess DOD property to the community so that it can use the facilities to attract private industry and jobs to the area.

At present, it takes an excessive amount of time to complete the property disposal cycle (a minimum of one and one-half years and often more than four years before the property is transferred to the community). Moreover, GSA is obliged to obtain fair market value for property which can place a heavy financial burden on the community.

For the last two months, GSA and DOD have been discussing ways to expedite property disposal procedures. Additionally, we are pressing for enactment of legislation already endorsed by the Administration and Speaker O'Neill to allow the transfer of surplus property to the community at a discount. However, we also believe that GSA should develop ways to increase the attractiveness to the private sector of interim usage of lands and buildings pending completion of the disposal process. A memo from you to GSA would expedite this effort. If you agree, we will prepare it.

Agree ✓, but \_\_\_\_\_ Disagree \_\_\_\_\_

*In Concerned U.S. getting off w/ 1/2% abbreviated procedure for property disposal*

Federal Organization.

Since 1970, the President's Economic Adjustment Committee (EAC), which is chaired by the Secretary of Defense with appropriate departments and agencies represented at the undersecretary level, has been assigned responsibility for coordinating Federal economic assistance efforts. DOD's Office of Economic Adjustment (OEA), which serves as the EAC's staff, helps the community plan its economic recovery and assists in the preparation of applications for domestic assistance.

We agree with DOD that it is essential to reinvigorate the EAC/OEA mechanism. In the course of our review, we seriously considered transfer of this function to Commerce. However, on balance we believe that the Secretary of Defense has a greater incentive to make the recovery process work effectively. He does, however, require the whole-hearted cooperation

of the affected domestic agencies. At present, the EAC exists only by virtue of a past Presidential letter. We believe that an executive order is necessary to effectively invigorate both EAC and OEA. If you agree we will prepare the order and a covering letter to all cabinet departments.

Agree

Disagree

*But route to all affected agencies before it comes to me*

Decisionmaking Process.

DOD normally announces candidates for base realignments without reference to the budget process. The Executive Office has in the past had the opportunity for only a cursory review of these candidates prior to the public announcement by DOD. Candidate decisions become final after the Department has complied with the requirements of the National Environmental Protection Act (NEPA). Final decisions are subject to a 60-day Congressional waiting period.

Problem - There are at least three serious problems with the current process. First, as you have seen in recent cases, the ability to fully assess local economic impacts is not all that it should be. We are frequently open to the criticism that the analysis of the socio-economic impact of the realignment is wrong and that the savings to DOD will be offset by other Government costs.

*This would always be true - I've never seen a community advocate a closing*

Secondly, the current process does not coordinate the provision of economic adjustment assistance with the implementation of the base closures and realignments. Neither planning funds nor funds to implement major recovery actions (an industrial park grant, etc.) have been available in a timely manner. This has led community representatives to perceive an insufficient and slow Federal response to their requests for economic assistance.

*Could be better*

Third, the lack of a regular process for base realignments has generated a lack of consistency in the criteria and supporting information used to arrive at a decision. We are often subject to criticism from impacted communities on the basis of inconsistency and insufficient focus on economic impact.

Solution (Option One) - At the start of the fall budget review, DOD would submit a proposed base realignment package for your review which would include a) their recommendations based on national security considerations; b) local economic impact information provided for each realignment; c) proposed disposition of affected real property; and d) an overall estimate of adjustment assistance funding requirements to be included in your budget. All candidate realignments for that year would be announced as a total package by the Secretary of Defense when your budget is transmitted to Congress. OEA would provide planning grants to the communities immediately following the candidate announcements. Within the discretionary funds budgeted for the appropriate domestic agencies, provision would be made for the implementation funds expected to be required as a result of these base realignments.

Pro

- Information on economic impact and assistance level requirements would be consistent among candidates and available concurrent with the national security recommendations so that it could be weighed appropriately and provided for in your budget.
- Announcing closures concurrent with the budget would allow us to highlight the economic adjustment aspects by pointing to the funds set aside in your budget.
- This process would enable the Administration to decide and announce all of the proposed realignments for the year at one time (January of each year). This could mitigate some Congressional opposition and negate claims by local communities that they have been singled out by the Administration.

Con

- You might be exposed to more political criticism since the selection of the bases to be realigned would be an integral part of your budget process.
- DOD says that more leaks could occur (although the information would be as tightly held as Presidential budget decisions).

Solution (Option Two) - Individual basing proposals would be announced by the Secretary of Defense at different times after informal consultation with the White House (DOD is planning announcement of realignment candidates in October of this year and in the spring of next year). Whenever DOD has a realignment list ready for announcement, they would provide the White House with local economic impact information. DOD would also provide a gross overall estimate of assistance requirements which would be used by OMB in the preparation of domestic Federal agency budgets.

Pro

- The White House would be provided with information on the local economic impact of base realignments.
- DOD's overall estimate could provide a basis for including economic adjustment assistance funds in the budgets of domestic agencies, if the timing of the budget cycle permits.

Con

- DOD's overall estimate of economic adjustment assistance funds would be based on only preliminary data and might be out of phase with the budget cycle. This could perpetuate the present situation where adjustment funds are sometimes spent out prior to all affected communities receiving assistance.

- The White House review would be much less complete and independent than if the realignments were reviewed by the Executive Office as part of the budget process.
- This represents very little, if any, change from the status quo.
- Out-of-cycle timing denies us whatever political advantage is to be gained by announcing realignment and adjustment assistance programs simultaneously.

Recommendation - We, along with Frank Moore and Stu Eizenstat, believe the budget cycle provision (Option One) is central to improving the economic adjustment process and helping to diffuse localized political opposition. DOD fundamentally disagrees (see their attached paper) and would prefer to retain the present system where announcements are at the department's discretion and tend to occur randomly throughout the year. As long as the present system exists, we believe we will continue to have problems of funds not being available to impacted communities due to out-of-cycle announcements and will not have as objective a system as possible to defend against ever-present political criticism. Because of the strong differences of opinion, you may wish a meeting with Secretary Brown, Deputy Secretary Duncan and ourselves to discuss this matter.

Option One \_\_\_\_\_ Option Two ✓ JC \_\_\_\_\_ Have a Meeting \_\_\_\_\_

As you recall, you have been asked to declare a moratorium on military installation realignments until a comprehensive study can be conducted on the Northeast-Midwest (the Snowbelt-Sunbelt controversy). This request comes from Speaker O'Neill; the Northeast-Midwest Coalition representing 204 members of Congress; the coalition of Northeast Governors led by Governor Carey; 12 Northeast Senators; and Mayor Beame.

If you choose to make base realignments part of the budget process, then a temporary suspension of all candidate and final realignments until your January 1978 budget is clearly in order.

DOD does not approve of such a suspension because it imposes a delay of three to four months. If you select Option Two, we need a further decision on the need for a temporary suspension.

If you approve our recommendations, we will work with Frank Moore to lay the necessary groundwork in Congress.

Attachment

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THE DEPUTY SECRETARY OF DEFENSE  
WASHINGTON, D. C. 20301

17 September 1977

MEMORANDUM FOR JACK WATSON AND BERT LANCE

SUBJECT: Improving Community Economic Recovery Assistance Required  
for Department of Defense Base Realignments

This is in response to Jack Watson's request of September 14 that we provide a succinct statement regarding our opposition to the suggestion that announcements concerning studies of proposed base realignments be linked to the annual budget cycle. Our conference on September 14 indicates there is no philosophical disagreement among the parties to the discussion as to objectives. They are:

- DoD should realign its base structure to eliminate that structure excess to present and contemplated military requirements.
- The realignments must be accomplished at the least cost to the Department and to the affected communities.
- DoD should continue to have primary responsibility for coordinating economic adjustment in base realignment actions.
- DoD should improve and strengthen the economic impact analysis.

We strongly disagree with the proposals in your memorandum that OMB coordinate proposed realignment actions and that such actions be made part of the President's budget. Our reasons are:

- Limiting the announcement of base realignment proposals for study to the budget cycle constrains the Administration's flexibility and options.
- We can continue to ensure that OMB gets our best estimates of DoD's realignment savings and the funding necessary for economic adjustment purposes so that other departments and agencies can include them in their budgets. The results of realignment decisions are in the budget except for the first year when the funding requirement is small and can be covered by the domestic departments' contingency funds.

- The inclusion of realignments in the budget will not provide more time for study, orderly assessment, and contribute to objectivity. The budget preparation period is the most hectic of the year.
- Reflecting anticipated results in the budget ignores the fact that the actions may not take place or will be deferred; and makes a decision even before the study is completed.
- It will be harder to insulate the decisions from the political process, both in fact and appearance.

We believe strongly that base realignment actions should be controlled entirely within the Executive Branch until final announcements are made, as consistent with current legislation. This can best be perpetuated by not linking realignment actions to the budget cycle and by our doing a better job in our economic adjustment actions. As stated in our meeting, we are committed to doing a better job on base realignments, including economic adjustment, and will work with you on a close and timely basis.

A handwritten signature in cursive script, appearing to read "C. L. Murray". The signature is written in black ink and is positioned in the lower right quadrant of the page.

EIZENSTAT COMMENT

THE WHITE HOUSE

WASHINGTON

September 22, 1977

MEMORANDUM FOR: THE PRESIDENT  
FROM: STU EIZENSTAT *Stu*  
SUBJECT: Lance/Watson DOD Base  
Realignment Decisions

I concur fully with Jack and Bert on the need for a letter to GSA to expedite the property disposal process, and on the need for an executive order to revitalize the EAC and OEA.

However, after some reflection I have reservations about the proposed changes in the decision-making process for base realignments. There is no question that the use of the budget cycle would insure more timely, thorough and coordinated review of DOD decisions. However, release of base realignments as part of the President's budget has the fundamental political flaw of identifying the White House directly with the DOD decisions. No matter how well coordinated or timely the adjustment assistance, this is entirely negative publicity for you in the communities involved. The headline is not "Defense Proposed Shutdown" it is "Carter Closes Base". Moreover, by the time these decisions are announced they will already have been reviewed by you, making them particularly awkward to reverse. There will no longer be any chance for you to reap the occasional political credit that comes from reversing a DOD base closing proposal since presumably those favorable Presidential decisions will come before the public is even aware of the possibility of a shutdown.

I believe that we should continue to keep base closing decisions as far away from the White House as possible. Therefore, I agree with Secretary Brown that Option 2 is a preferable choice for decision-making.

However, I fully agree with the other points in the memorandum and believe more advance notice of closings is necessary. Also, since OMB and Jack have done so much work on this matter, I would defer to their judgment.

THE WHITE HOUSE

WASHINGTON

Date: September 22, 1977

MEMORANDUM

**FOR ACTION:**

Stu Eizenstat *attached*  
 Hamilton Jordan *HC*  
 Frank Moore - *attached*  
 Zbig Brzezinski *per OASD, => Mushi*

**FOR INFORMATION:**

The Vice President  
Charles Schultze

*Mushi's legislation would significantly weaken DoD internal measures to close down bases.*

**FROM:** Rick Hutcheson, Staff Secretary

**SUBJECT:** Lance/Watson memo re Improving Community Economic Recovery Assistance Required for DOD Base Realignments. Watson memo dated 9/22/77 re DoD Base Alignments.

**YOUR RESPONSE MUST BE DELIVERED TO THE STAFF SECRETARY BY:**

TIME: 12:00 NOON

DAY: Saturday

DATE: September 24, 1977

**ACTION REQUESTED:**

Your comments

Other:

ADMINISTRATIVELY CONFIDENTIAL

**STAFF RESPONSE:**

I concur.

No comment.

*Please note other comments below:*

*what is ZB comment?  
what is SE*

**PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.**

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

THE WHITE HOUSE  
WASHINGTON

<input checked="" type="checkbox"/>	FOR STAFFING
<input type="checkbox"/>	FOR INFORMATION
<input type="checkbox"/>	FROM PRESIDENT'S OUTBOX
<input type="checkbox"/>	LOG IN/TO PRESIDENT TODAY
<input type="checkbox"/>	IMMEDIATE TURNAROUND

ACTION	FYI	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	MONDALE
<input type="checkbox"/>	<input type="checkbox"/>	COSTANZA
<input checked="" type="checkbox"/>	<input type="checkbox"/>	EIZENSTAT
<input checked="" type="checkbox"/>	<input type="checkbox"/>	JORDAN
<input type="checkbox"/>	<input type="checkbox"/>	LIPSHUTZ
<input checked="" type="checkbox"/>	<input type="checkbox"/>	MOORE
<input type="checkbox"/>	<input type="checkbox"/>	POWELL
<input type="checkbox"/>	<input type="checkbox"/>	WATSON
<input type="checkbox"/>	<input type="checkbox"/>	LANCE
<input checked="" type="checkbox"/>	<input type="checkbox"/>	SCHULTZE

<input type="checkbox"/>	ENROLLED BILL
<input type="checkbox"/>	AGENCY REPORT
<input type="checkbox"/>	CAB DECISION
<input type="checkbox"/>	EXECUTIVE ORDER
Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day	

<input type="checkbox"/>	ARAGON
<input type="checkbox"/>	BOURNE
<input checked="" type="checkbox"/>	BRZEZINSKI
<input type="checkbox"/>	BUTLER
<input type="checkbox"/>	CARP
<input type="checkbox"/>	H. CARTER
<input type="checkbox"/>	CLOUGH
<input type="checkbox"/>	FALLOWS
<input type="checkbox"/>	FIRST LADY
<input type="checkbox"/>	HARDEN
<input type="checkbox"/>	HUTCHESON
<input type="checkbox"/>	JAGODA
<input type="checkbox"/>	KING

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<input type="checkbox"/>	MITCHELL
<input type="checkbox"/>	MOE
<input type="checkbox"/>	PETERSON
<input type="checkbox"/>	PETTIGREW
<input type="checkbox"/>	POSTON
<input type="checkbox"/>	PRESS
<input type="checkbox"/>	SCHLESINGER
<input type="checkbox"/>	SCHNEIDERS
<input type="checkbox"/>	STRAUSS
<input type="checkbox"/>	VOORDE
<input type="checkbox"/>	WARREN

THE WHITE HOUSE  
WASHINGTON

The NSC staff concur  
with the DoD recommenda-  
tion for Law Cleveland.

---

T. S. P.

THE WHITE HOUSE

WASHINGTON

Date: September 22, 1977

MEMORANDUM

FOR ACTION:

Stu Eizenstat  
~~Hamilton Jordan~~  
Frank Moore  
Zbig Brzezinski

FOR INFORMATION:

The Vice President  
Charles Schultze

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Lance/Watson memo re Improving Community Economic  
Recovery Assistance Required for DOD Base Realignment  
Watson memo dated 9/22/77 re DoD Base Alignments.

YOUR RESPONSE MUST BE DELIVERED  
TO THE STAFF SECRETARY BY:

TIME: 12:00 NOON

DAY: Saturday

DATE: September 24, 1977

ACTION REQUESTED:

Your comments

Other:

ADMINISTRATIVELY CONFIDENTIAL

STAFF RESPONSE:

I concur.

Please note other comments below:

No comment.

THE WHITE HOUSE  
WASHINGTON

XC: Bob R.  
TATE  
CABLE

Date: September 22, 1977

MEMORANDUM

FOR ACTION:

Stu Eizenstat  
Hamilton Jordan  
~~Frank Moore~~ (Lester) (Francis)  
Zbig Brzezinski

FOR INFORMATION:

The Vice President  
Charles Schultze

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Lance/Watson memo re Improving Community Economic  
Recovery Assistance Required for DOD Base Realignment  
Watson memo dated 9/22/77 re DoD Base Alignments.

YOUR RESPONSE MUST BE DELIVERED  
TO THE STAFF SECRETARY BY:

TIME: 12:00 NOON

DAY: Saturday

DATE: September 24, 1977

ACTION REQUESTED:

Your comments

Other:

ADMINISTRATIVELY CONFIDENTIAL

STAFF RESPONSE:

I concur.

No comment.

Please note other comments below:

Concur even though our opposition will  
be extremely unpopular in Congress.

Tate

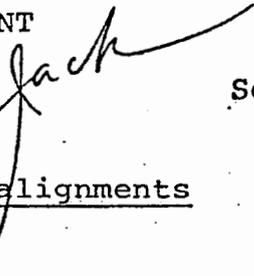
THE WHITE HOUSE

WASHINGTON

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM TO: THE PRESIDENT

FROM:

Jack Watson 

September 22, 1977

RE:

DoD Base Realignments

I understand that Senator Muskie plans to introduce legislation next week calling for an automatic redistribution of "defense realignment savings" to domestic agencies for use as economic adjustment funds. Such legislation would, of course, greatly restrict our flexibility in either saving money or reallocating funds in accordance with actual need.

This is not the only bill of this kind being proposed in Congress and, unless we do something significant to change our procedures and approach to base closings, Senator Muskie's bill has a good chance of passage. Muskie will ensure referral of his bill to his Committee and will have no problem getting broad-based co-sponsors.

I call this development to your attention because of its direct relevance to the attached proposal Bert and I are making to you.

Attachment

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR THE PRESIDENT

FROM: Bert Lance  
Jack Watson

*BRL*

SUBJECT: Improving Community Economic Recovery Assistance  
Required for DOD Base Realignment

As you know, we have been working for some months on a plan to improve the military base realignment process. This memorandum reviews the realignment decisionmaking process; problems with the current process for alleviating the local economic impact of those realignments (including base closures); and recommends some improvements for your consideration. We are in basic agreement with DOD on all but one major question (the decisionmaking process) which is presented here for your decision.

Background.

For several years DOD has sought to realign domestic defense installations in order to streamline the support structure and to reduce costs. Many more DOD base realignments can be made to achieve a more efficient utilization of defense resources without degrading military capabilities. These realignments could eventually produce annual savings of \$2 billion or more.

Six major realignments have been announced as final since you took office: Kincheloe AFB, Michigan; Craig AFB, Selma, Alabama; Webb AFB, Big Spring, Texas; Frankford Arsenal, Philadelphia, Pennsylvania; Richards-Gebaur AFB, Kansas City, Missouri; and Fort Monmouth, New Jersey. The first four are closures, and the other two are major realignments. As you know, the opposition to these realignments has been very strong.

In order to deal more effectively with Congressional and local opposition, and to make the decision process more rational, we think that improvements need to be made.

Federal Economic Assistance.

General.

Contrary to popular belief, most communities impacted by defense base realignments have eventually made satisfactory economic recoveries. Over the long term, these communities have benefited from the development of

a broader economic base. Nevertheless, short-term Federal adjustment programs are needed to provide the initial transition to a civilian economy.

There is growing sentiment on the Hill, which we agree with, that not enough Federal economic adjustment assistance is being furnished to impacted communities in a timely manner. Because of this sentiment, legislation has been introduced to guarantee to each such community a percentage of the DOD savings over a ten-year period. DOD and we strongly oppose this legislation because it would generate amounts of spending which have no relationship to the actual economic needs of the communities.

#### Property Disposal.

A vital step in the economic adjustment process is the prompt transfer of the excess DOD property to the community so that it can use the facilities to attract private industry and jobs to the area.

At present, it takes an excessive amount of time to complete the property disposal cycle (a minimum of one and one-half years and often more than four years before the property is transferred to the community). Moreover, GSA is obliged to obtain fair market value for property which can place a heavy financial burden on the community.

For the last two months, GSA and DOD have been discussing ways to expedite property disposal procedures. Additionally, we are pressing for enactment of legislation already endorsed by the Administration and Speaker O'Neill to allow the transfer of surplus property to the community at a discount. However, we also believe that GSA should develop ways to increase the attractiveness to the private sector of interim usage of lands and buildings pending completion of the disposal process. A memo from you to GSA would expedite this effort. If you agree, we will prepare it.

Agree \_\_\_\_\_

Disagree \_\_\_\_\_

#### Federal Organization.

Since 1970, the President's Economic Adjustment Committee (EAC), which is chaired by the Secretary of Defense with appropriate departments and agencies represented at the undersecretary level, has been assigned responsibility for coordinating Federal economic assistance efforts. DOD's Office of Economic Adjustment (OEA), which serves as the EAC's staff, helps the community plan its economic recovery and assists in the preparation of applications for domestic assistance.

We agree with DOD that it is essential to reinvigorate the EAC/OEA mechanism. In the course of our review, we seriously considered transfer of this function to Commerce. However, on balance we believe that the Secretary of Defense has a greater incentive to make the recovery process work effectively. He does, however, require the whole-hearted cooperation

of the affected domestic agencies. At present, the EAC exists only by virtue of a past Presidential letter. We believe that an executive order is necessary to effectively invigorate both EAC and OEA. If you agree we will prepare the order and a covering letter to all cabinet departments.

Agree \_\_\_\_\_

Disagree \_\_\_\_\_

### Decisionmaking Process.

DOD normally announces candidates for base realignments without reference to the budget process. The Executive Office has in the past had the opportunity for only a cursory review of these candidates prior to the public announcement by DOD. Candidate decisions become final after the Department has complied with the requirements of the National Environmental Protection Act (NEPA). Final decisions are subject to a 60-day Congressional waiting period.

Problem - There are at least three serious problems with the current process. First, as you have seen in recent cases, the ability to fully assess local economic impacts is not all that it should be. We are frequently open to the criticism that the analysis of the socio-economic impact of the realignment is wrong and that the savings to DOD will be offset by other Government costs.

Secondly, the current process does not coordinate the provision of economic adjustment assistance with the implementation of the base closures and realignments. Neither planning funds nor funds to implement major recovery actions (an industrial park grant, etc.) have been available in a timely manner. This has led community representatives to perceive an insufficient and slow Federal response to their requests for economic assistance.

Third, the lack of a regular process for base realignments has generated a lack of consistency in the criteria and supporting information used to arrive at a decision. We are often subject to criticism from impacted communities on the basis of inconsistency and insufficient focus on economic impact.

Solution (Option One) - At the start of the fall budget review, DOD would submit a proposed base realignment package for your review which would include a) their recommendations based on national security considerations; b) local economic impact information provided for each realignment; c) proposed disposition of affected real property; and d) an overall estimate of adjustment assistance funding requirements to be included in your budget. All candidate realignments for that year would be announced as a total package by the Secretary of Defense when your budget is transmitted to Congress. OEA would provide planning grants to the communities immediately following the candidate announcements. Within the discretionary funds budgeted for the appropriate domestic agencies, provision would be made for the implementation funds expected to be required as a result of these base realignments.

Pro

- Information on economic impact and assistance level requirements would be consistent among candidates and available concurrent with the national security recommendations so that it could be weighed appropriately and provided for in your budget.
- Announcing closures concurrent with the budget would allow us to highlight the economic adjustment aspects by pointing to the funds set aside in your budget.
- This process would enable the Administration to decide and announce all of the proposed realignments for the year at one time (January of each year). This could mitigate some Congressional opposition and negate claims by local communities that they have been singled out by the Administration.

Con

- You might be exposed to more political criticism since the selection of the bases to be realigned would be an integral part of your budget process.
- DOD says that more leaks could occur (although the information would be as tightly held as Presidential budget decisions).

Solution (Option Two) - Individual basing proposals would be announced by the Secretary of Defense at different times after informal consultation with the White House (DOD is planning announcement of realignment candidates in October of this year and in the spring of next year). Whenever DOD has a realignment list ready for announcement, they would provide the White House with local economic impact information. DOD would also provide a gross overall estimate of assistance requirements which would be used by OMB in the preparation of domestic Federal agency budgets.

Pro

- The White House would be provided with information on the local economic impact of base realignments.
- DOD's overall estimate could provide a basis for including economic adjustment assistance funds in the budgets of domestic agencies, if the timing of the budget cycle permits.

Con

- DOD's overall estimate of economic adjustment assistance funds would be based on only preliminary data and might be out of phase with the budget cycle. This could perpetuate the present situation where adjustment funds are sometimes spent out prior to all affected communities receiving assistance.

- ° The White House review would be much less complete and independent than if the realignments were reviewed by the Executive Office as part of the budget process.
- ° This represents very little, if any, change from the status quo.
- ° Out-of-cycle timing denies us whatever political advantage is to be gained by announcing realignment and adjustment assistance programs simultaneously.

Recommendation - We, along with Frank Moore and Stu Eizenstat, believe the budget cycle provision (Option One) is central to improving the economic adjustment process and helping to diffuse localized political opposition. DOD fundamentally disagrees (see their attached paper) and would prefer to retain the present system where announcements are at the department's discretion and tend to occur randomly throughout the year. As long as the present system exists, we believe we will continue to have problems of funds not being available to impacted communities due to out-of-cycle announcements and will not have as objective a system as possible to defend against ever-present political criticism. Because of the strong differences of opinion, you may wish a meeting with Secretary Brown, Deputy Secretary Duncan and ourselves to discuss this matter.

Option One \_\_\_\_\_ Option Two \_\_\_\_\_ Have a Meeting \_\_\_\_\_

As you recall, you have been asked to declare a moratorium on military installation realignments until a comprehensive study can be conducted on the Northeast-Midwest (the Snowbelt-Sunbelt controversy). This request comes from Speaker O'Neill; the Northeast-Midwest Coalition representing 204 members of Congress; the coalition of Northeast Governors led by Governor Carey; 12 Northeast Senators; and Mayor Beame.

If you choose to make base realignments part of the budget process, then a temporary suspension of all candidate and final realignments until your January 1978 budget is clearly in order.

DOD does not approve of such a suspension because it imposes a delay of three to four months. If you select Option Two, we need a further decision on the need for a temporary suspension.

If you approve our recommendations, we will work with Frank Moore to lay the necessary groundwork in Congress.

Attachment



THE DEPUTY SECRETARY OF DEFENSE  
WASHINGTON, D. C. 20301

17 September 1977

MEMORANDUM FOR JACK WATSON AND BERT LANCE

SUBJECT: Improving Community Economic Recovery Assistance Required  
for Department of Defense Base Realignments

This is in response to Jack Watson's request of September 14 that we provide a succinct statement regarding our opposition to the suggestion that announcements concerning studies of proposed base realignments be linked to the annual budget cycle. Our conference on September 14 indicates there is no philosophical disagreement among the parties to the discussion as to objectives. They are:

- DoD should realign its base structure to eliminate that structure excess to present and contemplated military requirements.
- The realignments must be accomplished at the least cost to the Department and to the affected communities.
- DoD should continue to have primary responsibility for coordinating economic adjustment in base realignment actions.
- DoD should improve and strengthen the economic impact analysis.

We strongly disagree with the proposals in your memorandum that OMB coordinate proposed realignment actions and that such actions be made part of the President's budget. Our reasons are:

- Limiting the announcement of base realignment proposals for study to the budget cycle constrains the Administration's flexibility and options.
- We can continue to ensure that OMB gets our best estimates of DoD's realignment savings and the funding necessary for economic adjustment purposes so that other departments and agencies can include them in their budgets. The results of realignment decisions are in the budget except for the first year when the funding requirement is small and can be covered by the domestic departments' contingency funds.

- The inclusion of realignments in the budget will not provide more time for study, orderly assessment, and contribute to objectivity. The budget preparation period is the most hectic of the year.
- Reflecting anticipated results in the budget ignores the fact that the actions may not take place or will be deferred; and makes a decision even before the study is completed.
- It will be harder to insulate the decisions from the political process, both in fact and appearance.

We believe strongly that base realignment actions should be controlled entirely within the Executive Branch until final announcements are made, as consistent with current legislation. This can best be perpetuated by not linking realignment actions to the budget cycle and by our doing a better job in our economic adjustment actions. As stated in our meeting, we are committed to doing a better job on base realignments, including economic adjustment, and will work with you on a close and timely basis.

A handwritten signature in cursive script, appearing to read "C. L. Turner". The signature is written in dark ink and is positioned in the lower right quadrant of the page.

THE WHITE HOUSE  
WASHINGTON

September 28, 1977

Hamilton Jordan

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

RE: CIRCUIT COURT NOMINATING  
PANELS

THE WHITE HOUSE  
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
/	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION	FYI	
		MONDALE
		COSTANZA
		EIZENSTAT
/		JORDAN
		LIPSHUTZ
		MOORE
		POWELL
		WATSON
		LANCE
		SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	HARDEN
	HUTCHESON
	JAGODA
	KING

	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN

THE PRESIDENT HAS SAID.

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

MEMORANDUM TO THE PRESIDENT

FROM: HAMILTON JORDAN *H.J.*  
DATE: SEPTEMBER 26, 1977  
SUBJECT: CIRCUIT COURT NOMINATING PANELS

Circuit Court Nominating Panels remain to be selected for the Second, Seventh, Eighth, and Northern Ninth Circuits. We have not yet selected the panels because vacancies do not exist in these courts. If you prefer, we can go ahead and name the commissions, but we will have greater flexibility if we wait until the vacancies occur.

Proceed immediately  
 Wait for vacancies  
 Other

Electrostatic Copy Made  
for Preservation Purposes

WASH 9/28/77  
Discovery Columbus  
day  
OPPOV signing  
15 → 500  
2000  
Family Valua - Baroni  
Rodino - Sirica

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THE WHITE HOUSE  
WASHINGTON

9-28-77

Khaddam  
Sharaf

- a) US settlement terms unchanged
- b) Syria has not been helpful
  - ↳ PLO 242 - Assad
  - ↳ FM Conference Arab League

- c) Need help on Geneva Conference
  1. Unified Arab & Palestinian
  2. Israel - Egypt, Is. Syria,  
Is. Lebanon, Is. Jordan, plus  
Is. Jordan - Pales

3 - refugees separate?  
(but at Geneva)

Assad: "Palestinian rights more  
important than who represents  
Palestinians at Geneva."

THE WHITE HOUSE  
WASHINGTON

Working groups would  
report to plenary.

Separate Pales/PLO component  
Working group

Pales - political future  
- refugees

Early conclusion - main pts

Electrostatic Copy Made  
for Preservation Purposes

THE WHITE HOUSE  
WASHINGTON

September 28, 1977

Hamilton Jordan  
Jack Watson

The attached was returned in  
the President's outbox. It is  
forwarded to you for your  
information.

Rick Hutcheson

RE: LETTER TO BOB BERGLAND ON  
BOB MEYERS

THE WHITE HOUSE  
WASHINGTON

*To Bergland*

	FOR STAFFING
	FOR INFORMATION
	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION	FYI	
		MONDALE
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		MOORE
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	/	WATSON
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	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN

THE WHITE HOUSE  
WASHINGTON

9-28-77

To Bob Dergland

Please stop Bob Meyer's  
lobbying effort on behalf  
of himself.

J. Carter